

IPP AIR QUALITY PERMIT BACKGROUND

On June 12, 1980 the U.S. Environmental Protection Agency (EPA) issued a Conditional Permit to Commence Construction and Operate IPP (EPA permit) based on its preliminary 4-unit design. EPA determined that IPP air emissions would not cause exceedances of air quality increments and would not result in significant air quality deterioration.

On December 3, 1980 the Utah State Department of Health (DOH) issued an Air Quality Approval Order (Utah permit) for IPP based on its preliminary 4-unit design. The Utah permit established emission limits for sulfur dioxide, particulate matter and nitrogen oxides (NOx) that are at least as strict as those required by federal regulations.

After issuance of these permits, IPP proceeded to award contracts for the construction of air quality control equipment that would ensure compliance with the permit conditions, including certain design refinements.

On September 3, 1982 the DOH sent a letter to IPP requesting additional design and operating information and suggesting that State proceedings to modify the Utah permit might be required.

On March 31, 1983 the IPP was officially reduced in size from 4 to 2 units. IPP promptly advised the DOH of this change and provided analyses showing that air emissions and air quality impacts would be substantially less than those originally permitted.

On August 27, 1983 the DOH issued a public notice of its intent to modify initial construction plans for IPP. The notice states that the construction modifications "will result in a significant decrease in expected air emissions" and that "no adverse air quality impacts are expected"; however, it also states that the DOH is considering lowering the emission limit for NOx below the value in the existing permits and below the value that is contractually guaranteed by the equipment manufacturers. Since there is not a technical basis for expecting that IPP can achieve a NOx emission limit below the contractually guaranteed value of 0.55 pounds per million Btu, and since the imposition of a lower emission limit at this time would shift compliance liability from the manufacturer to IPP, such an action could jeopardize the Project's viability.

A public hearing has been scheduled for September 26, 1983, at 1:30 p.m. in Room 251 in the Social Services Building at 150 West North Temple, Salt Lake City, Utah, to gather comments on the NOx issue and the intent to approve. Written comments received by the Utah State Department of Health, Bureau of Air Quality, P.O. Box 2500, Salt Lake City, Utah 84110-2500, on or before September 26, 1983, will be considered in making the final decision on the approval or disapproval of the proposed construction.